



Billing Code: 3410-30-P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Child and Adult Care Food Program: National Average Payment Rates, Day Care Home Food Service Payment Rates, and Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes for the Period July 1, 2012 through June 30, 2013

AGENCY: Food and Nutrition Service, USDA

ACTION: Notice

SUMMARY: This notice announces the annual adjustments to the national average payment rates for meals and snacks served in child care centers, outside-school-hours care centers, at-risk afterschool care centers, and adult day care centers; the food service payment rates for meals and snacks served in day care homes; and the administrative reimbursement rates for sponsoring organizations of day care homes, to reflect changes in the Consumer Price Index. Further adjustments are made to these rates to reflect the higher costs of providing meals in the States of Alaska and Hawaii. The adjustments contained in this notice are made on an annual basis each July, as required by the laws and regulations governing the Child and Adult Care Food Program.

DATES: These rates are effective from July 1, 2012 through June 30, 2013.

FOR FURTHER INFORMATION CONTACT: Tina Namian, Section Head, Policy and Program Development Branch, Child Nutrition Division, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Room 640, Alexandria, Virginia 22302-1594, 703-305-2590.

SUPPLEMENTARY INFORMATION:

Definitions

The terms used in this notice have the meanings ascribed to them in the Child and Adult Care Food Program regulations, 7 CFR Part 226.

Background

Pursuant to sections 4, 11, and 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753, 1759a and 1766), section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) and 7 CFR 226.4, 226.12 and 226.13 of the Program regulations, notice is hereby given of the new payment rates for institutions participating in the Child and Adult Care Food Program (CACFP). These rates are in effect during the period, July 1, 2012 through June 30, 2013.

As provided for under the law, all rates in the CACFP must be revised annually, on July 1, to reflect changes in the Consumer Price Index (CPI), published by the Bureau of Labor Statistics of the United States Department of Labor, for the most recent 12-month period. In accordance with this mandate, the United States Department of Agriculture (USDA) last published the adjusted national average payment rates for centers, the food service payment rates for day care

homes, and the administrative reimbursement rates for sponsoring organizations of day care homes, for the period from July 1, 2011 through June 30, 2012, on July 20, 2011, at 76 FR 43254. A correction to the table of administrative reimbursement rates was published on July 26, 2011, at 76 FR 44573.

Adjusted Payments

The following national average payment factors and food service payment rates for meals and snacks are in effect from July 1, 2012 through June 30, 2013. All amounts are expressed in dollars or fractions thereof. Due to a higher cost of living, the reimbursements for Alaska and Hawaii are higher than those for all other States. The District of Columbia, Virgin Islands, Puerto Rico, and Guam use the figures specified for the contiguous States. These rates do not include the value of USDA foods or cash-in-lieu of USDA foods which institutions receive as additional assistance for each lunch or supper served to participants under the Program. A notice announcing the value of USDA foods and cash-in-lieu of USDA foods is published separately in the *Federal Register*.

National Average Payment Rates for Centers

Payments for breakfast served are: Contiguous States - paid rate – 27 cents, reduced price rate – 125 cents, free rate – 155 cents; Alaska - paid rate – 41 cents, reduced price rate – 218 cents, free rate – 248 cents; Hawaii - paid rate – 31 cents, reduced price rate – 151 cents, free rate – 181 cents.

Payments for lunch or supper served are: Contiguous States - paid rate – 27 cents, reduced price rate – 246 cents, free rate – 286 cents; Alaska - paid rate – 44 cents, reduced price rate – 423 cents, free rate – 463 cents; Hawaii - paid rate – 32 cents, reduced price rate – 295 cents, free rate – 335 cents.

Payments for snack served are: Contiguous States – paid rate – 7 cents, reduced price rate – 39 cents, free rate – 78 cents; Alaska – paid rate – 11 cents, reduced price rate – 63 cents, free rate – 127 cents; Hawaii – paid rate – 8 cents, reduced price rate – 46 cents, free rate – 92 cents.

Food Service Payment Rates for Day Care Homes

Payments for breakfast served are: Contiguous States – tier I – 127 cents and tier II – 46 cents; Alaska – tier I – 203 cents and tier II – 72 cents; Hawaii – tier I – 148 cents and tier II – 53 cents.

Payments for lunch or supper served are: Contiguous States – tier I – 238 cents and tier II – 144 cents; Alaska – tier I – 386 cents and tier II – 233 cents; Hawaii – tier I – 279 cents and tier II – 168 cents.

Payments for snack served are: Contiguous States – tier I – 71 cents and tier II – 19 cents; Alaska – tier I – 115 cents and tier II – 31 cents; Hawaii – tier I – 83 cents and tier II – 23 cents.

Administrative Reimbursement Rates for Sponsoring Organizations of Day Care Homes

Monthly administrative payments to sponsors for each sponsored day care home are:

Contiguous States – initial 50 homes – 107 dollars, next 150 homes – 82 dollars, next 800 homes

– 64 dollars, each additional home – 56 dollars; Alaska – initial 50 homes – 174 dollars, next 150 homes – 133 dollars, next 800 homes – 104 dollars, each additional home – 91 dollars; Hawaii – initial 50 homes – 126 dollars, next 150 homes – 96 dollars, next 800 homes – 75 dollars, each additional home – 66 dollars.

Payment Chart

The following chart illustrates the national average payment factors and food service payment rates for meals and snacks in effect from July 1, 2012 through June 30, 2013.

CHILD AND ADULT CARE FOOD PROGRAM (CACFP)						
Per Meal Rates in Whole or Fractions of U.S. Dollars						
Effective from July 1, 2012 - June 30, 2013						
CENTERS		BREAKFAST		LUNCH AND SUPPER ¹	SNACK	
CONTIGUOUS STATES	PAID	0.27		0.27	0.07	
	REDUCED PRICE	1.25		2.46	0.39	
	FREE	1.55		2.86	0.78	
ALASKA	PAID	0.41		0.44	0.11	
	REDUCED PRICE	2.18		4.23	0.63	
	FREE	2.48		4.63	1.27	
HAWAII	PAID	0.31		0.32	0.08	
	REDUCED PRICE	1.51		2.95	0.46	
	FREE	1.81		3.35	0.92	
DAY CARE HOMES	BREAKFAST		LUNCH AND SUPPER		SNACK	
	TIER I	TIER II	TIER I	TIER II	TIER I	TIER II
CONTIGUOUS STATES	1.27	0.46	2.38	1.44	0.71	0.19
ALASKA	2.03	0.72	3.86	2.33	1.15	0.31
HAWAII	1.48	0.53	2.79	1.68	0.83	0.23
ADMINISTRATIVE REIMBURSEMENT RATES FOR SPONSORING ORGANIZATIONS OF DAY CARE HOMES		INITIAL		NEXT	NEXT	EACH
Per Home/Per Month Rates in U.S. Dollars		50		150	800	ADDL
CONTIGUOUS STATES		107		82	64	56
ALASKA		174		133	104	91
HAWAII		126		96	75	66

¹These rates do not include the value of USDA foods or cash-in-lieu of USDA foods which institutions receive as additional assistance for each CACFP lunch or supper served to participants. A notice announcing the value of USDA foods and cash-in-lieu of USDA

foods is published separately in the *Federal Register*.

The changes in the national average payment rates for centers reflect a 2.93 percent increase during the 12-month period, May 2011 to May 2012, (from 230.501 in May 2011, as previously published in the Federal Register, to 237.262 in May 2012) in the food away from home series of the CPI for All Urban Consumers.

The changes in the food service payment rates for day care homes reflect a 2.73 percent increase during the 12-month period, May 2011 to May 2012, (from 225.356 in May 2011, as previously published in the Federal Register, to 231.518 in May 2012) in the food at home series of the CPI for All Urban Consumers.

The changes in the administrative reimbursement rates for sponsoring organizations of day care homes reflect a 1.70 percent increase during the 12-month period, May 2011 to May 2012, (from 225.964 in May 2011, as previously published in the Federal Register, to 229.815 in May 2012) in the series for all items of the CPI for All Urban Consumers.

The total amount of payments available to each State agency for distribution to institutions participating in CACFP is based on the rates contained in this notice.

This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601-612) and thus is exempt from the provisions of that Act. This notice has been determined to be exempt under Executive Order 12866.

CACFP is listed in the Catalog of Federal Domestic Assistance under No. 10.558 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR Part 3015, Subpart V, and final rule related notice published at 48 FR 29114, June 24, 1983.)

This notice has been determined to be not significant and was reviewed by the Office of Management and Budget (OMB) in conformance with Executive Order 12866. This notice imposes no new reporting or recordkeeping provisions that are subject to OMB review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3518).

AUTHORITY: Sections 4(b)(2), 11a, 17(c) and 17(f)(3)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1753(b)(2), 1759a, 1766(f)(3)(B)) and section 4(b)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(B)).

_____	July 18, 2012_____
Audrey Rowe	Date
Administrator	
Food and Nutrition Service	

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